

## **INTRODUCTION**

Providing affordable housing is a constitutional obligation, required by the Fair Housing Act of 1985 (FHA). The law recognizes that every New Jersey municipality shall provide “a realistic opportunity for a fair share of its region’s present and prospective needs for housing low and moderate income families”. The FHA made the Housing Element a mandatory part of the municipal master plan and also required the preparation of a Fair Share Plan describing how the goals of the Housing Element would be achieved.

The FHA directs the New Jersey Council On Affordable Housing (COAH) to provide regulations that allow municipalities to prepare a comprehensive planning and implementation response to the constitutional obligation to provide a realistic opportunity for the provision of affordable housing. COAH is directed to review the municipal Housing Element and Fair Share Plan and is empowered to grant substantive certification.

Since the Planning Board adopted and the Borough endorsed a new Housing Element and Fair Share Plan in December 2005, there have been a number of significant events:

- (1) On May 6, 2008, COAH adopted comprehensive new round three regulations;
- (2) On May 6, 2008, COAH proposed amendments to the round three regulations it adopted that day;
- (3) By letter dated May 28, 2008, COAH’s Executive Director instructed municipalities to use the adopted regulations, along with the proposed amendments, as a guideline even though COAH had not yet adopted the regulations; and
- (4) On July 17, 2008, Governor Corzine signed the so-called Roberts Bill into law, which amended the Fair housing Act so as to eliminate RCAs as a compliance technique and made certain other changes.

As a result of the events described above, the framework for the December 2005 Plan has changed and will change further. The new laws have changed the fair share responsibilities of the Borough. Therefore, the Borough must revisit its approach to compliance. The within plan sets forth a new approach consistent with the new laws adopted by the Legislature and COAH as well as the proposed amendments COAH has directed municipalities to utilize.

### ***The 2004 Regulations***

By way of background, on December 20, 2004, the first version of the third round substantive and procedural rules became effective. These rules used a methodology known as growth share, to calculate the municipality’s new construction obligation for the third housing cycle based on actual growth occurring in the municipality. COAH’s first version of its round three regulations assigned a one unit obligation for every eight market units projected and for every 25 jobs projected for a 10 year period between

January 1, 2004 and January 1, 2014. These rules also required municipalities to address their indigenous need and their new construction obligations for the first and second housing cycles. Thus, the regulations established a cumulative obligation, covering a period of need from 1987 to 2014 and consisting of the following three components:

- The rehabilitation share (2000)
- The prior round obligation (1987-1999)
- Growth share (1999-2014)

The rehabilitation share is a measure of old, crowded, deficient housing that is occupied by low- and moderate-income households. The rehabilitation share is provided by COAH and based on 2000 Census data.

The prior round obligation is the municipality's new construction obligation from 1987 to 1999. The unmet balance of the previous obligation must be satisfied as part of the third round fair share plan. COAH has recalculated the obligations from the previous rounds based on data from the 2000 Census.

The growth share obligation is the obligation extrapolated from the projected number of new market units and new jobs projected to come into existence in a ten year period as described above.

### ***The May 6, 2008 Regulations***

In its regulations COAH adopted on May 6, 2008, COAH increased the growth share requirement from one affordable unit for every eight (8) market units, to one affordable unit for every four (4) market units. The growth share number related to employment also increased from one affordable unit for every twenty-five (25) jobs created, to one affordable unit for every sixteen (16) jobs created.

In its regulations COAH adopted on May 6, 2008, COAH also increased the period for which a municipality projects growth. More specifically, in contrast to the 2004 regulations, which extrapolated the growth share from projections of growth over a 10 year period; the new regulations extrapolate growth based upon a projection of growth over a **15-year period** spanning January 1, 2004 through December 31, 2018.

The new regulations authorize municipalities to rely upon their projections of growth for purposes of planning. However, if the actual growth exceeds the projected growth, the new regulations require that municipalities address the higher growth share extrapolated from the actual growth.

### ***The Amendments to the May 6, 2008 Regulations***

COAH received thousands of comments in response to its proposal of the regulations it adopted on May 6, 2008. Many of those comments challenged the reliability of the information COAH utilized to extrapolate the growth share of various municipalities.

COAH, therefore, utilized new data in conjunction with the regulations it proposed on May 6, 2008.

As COAH went through the regulatory process described above, the Borough of Stone Harbor, retained Planning Design Collaborative, LLC to assist the Borough with the preparation of a Housing Element and Fair Share Housing Plan. Planning Design Collaborative, LLC prepared the Housing Element and Fair Share Plan the Planning Board adopted in December 2005 and also prepared the within plan. This plan presents the background data required by the applicable provisions of COAH and the New Jersey Municipal Land Use Law (MLUL). The first portion of this document contains background data required by COAH, including the obligatory 2000 census data. The second portion of this document sets forth the Fair Share Plan in the prescribed format.

### **COMMUNITY OVERVIEW**

The Borough of Stone Harbor is located along the coastal zone in the southern region of Cape May County. The Borough occupies approximately 1.6 square miles on Seven Mile Island, a barrier island along the Atlantic Ocean coastline. The community abuts the Borough of Avalon to the north. Middle Township is located to the west on the mainland and the City of North Wildwood located to the south across the Hereford Inlet. Stone Harbor is a seasonal resort community that is almost completely developed. Limited vacant parcels and environmental constraints limit future residential and commercial growth.

Table No. 1 shows the existing land use in Stone Harbor.

**TABLE NO. 1  
EXISTING LAND USE  
STONE HARBOR, NEW JERSEY**

LAND USE	PARCEL COUNT	ACREAGE
Residential	2830	<b>305.5</b>
Commercial	193	<b>18.3</b>
Public & Semi-Public	66	<b>188.2</b>
Vacant	63	<b>9.3</b>

Source: Stone Harbor Tax Assessment Records; 2000

## **INVENTORY OF MUNICIPAL HOUSING STOCK**

This section of the Housing Element provides an inventory of the Stone Harbor's housing stock. COAH requires the municipal housing inventory to identify the local housing stock relative to the number of year-round and seasonal units, housing age, housing conditions, purchase and rental value and occupancy characteristics. Additionally, the inventory includes the number of affordable units available to low and moderate income households and the number of substandard housing units capable of being rehabilitated.

### **Number of Housing Units**

The 2000 Census reveals that the total number of housing units in Stone Harbor is 3,428 units, which is a 7.4 percent increase from the 3,173 units indicated in the 1990 Census. There is a discrepancy between the 2000 Census data and the Stone Harbor tax assessment records. The Stone Harbor Tax Assessor reports 2,830 housing units according to tax assessment records in 2000. The number from the Tax Assessor represents a 10% decrease in the number housing units from 1990 - 2000. Because the tax assessment data did not provide for a detailed breakdown of housing unit characteristics, we are using Census 2000 data for reporting purposes. The Borough of Stone Harbor believes the Census information as it relates to the number of housing units is inflated. The number of occupied units increased from 535 units in 1990 to 596 units in 2000 while the number of seasonal units has also increased from 1,980 units in 1990 to 2,549 units in 2000. Between 1990 and 2000 the number of vacant units in Stone Harbor decreased by 57% percent. Table No. 2 outlines these findings.

**TABLE NO.2  
HOUSING CHARACTERISTICS  
STONE HARBOR, NEW JERSEY**

<b>CHARACTERISTICS</b>	<b>1990 Census</b>	<b>2000 Census</b>	<b>CHANGE (%)</b>
Total Units	3,173	3,428*	<b>+7.4</b>
Total Vacant Units	2,638	2,832	<b>+6.8</b>
Total Seasonal Units	1,980	2,549	<b>+22.3</b>
Total Year Round Vacant Units	658	283	<b>-57.0</b>
Total Occupied Units	535	596	<b>+10.2</b>
Owner-Occupied Units	433	499	<b>+13.2</b>
Renter-Occupied Units	102	97	<b>-4.9</b>

Source: US Census Bureau; 1990 & 2000

\* Tax Assessor reports a total of 2,830 units in 2000.

### **Housing Age**

Table No. 3 summarizes the relative age of housing in Stone Harbor. The table indicates the peak housing construction period of the Borough as pre-1960's. Housing constructed from 1990 to 2000 totals 399 dwelling units, which is approximately 11.7 percent of the total number of units.

**TABLE NO. 3  
YEAR STRUCTURE BUILT  
STONE HARBOR, NEW JERSEY**

<b>YEAR CONSTRUCTED</b>	<b>NUMBER</b>	<b>PERCENT (%)</b>
1999 to 2000	51	1.5
1995 to 1998	106	3.1
1990 to 1994	242	7.1
1980 to 1989	776	22.6
1970 to 1979	385	11.2
1960 to 1969	316	9.2
1940 to 1959	1,000	29.2
Pre – 1940	552	16.1
<b>Total</b>	<b>3428</b>	<b>100.0</b>

Source: US Census Bureau; 2000.

### **Housing Conditions**

Occupancy per room is reported in Table No. 4. It appears that households in the Borough maintain adequate occupancy per room. The number of overcrowded housing units decreased from 2 units in 1990 to 0 in 2000.

**TABLE NO. 4  
OCCUPANTS PER ROOM  
OCCUPIED UNITS  
STONE HARBOR, NEW JERSEY**

<b>OCCUPANTS PER ROOM</b>	<b>1990</b>	<b>2000</b>
1.00 person or less	533	596
1.01 – 1.50 persons	1	0
1.51 persons or more	1	0
<b>Total</b>	<b>535</b>	<b>596</b>

Source: US Census Bureau; 2000

Table No. 5 summarizes house heating fuel in the Borough. The 2000 Census indicates that heating facilities are installed in all dwellings.

**TABLE NO. 5**  
**HOUSE HEATING FUEL**  
**STONE HARBOR, NEW JERSEY**

TYPE OF HEATING FUEL	OCCUPIED UNITS	PERCENT (%)
Utility gas	401	67.3
Bottled, tank, or LP gas	11	1.8
Electricity	157	26.3
Fuel oil, kerosene, etc.	23	3.9
Coal or coke	-	-
Wood	-	-
Solar energy	2	0.3
Other fuel	2	0.3
No fuel used	-	-
<b>Total</b>	<b>596</b>	<b>100.0</b>

Note: (-) denotes zero or rounds to zero

Source: US Census Bureau; 2000

### **Purchase and Rental Values**

The distribution of housing costs of owner-occupied housing units is summarized in Table No. 6. The median value of such units in 1990 and 2000 was \$289,400 and \$445,300, respectively. The following Table No. 7 outlines housing information for renter-occupied housing. The median monthly rent has increased from \$597 in 1990 to \$669 in 2000.

**TABLE NO. 6**  
**SPECIFIED OWNER-OCCUPIED HOUSING UNITS BY VALUE**  
**STONE HARBOR, NEW JERSEY**

VALUE	1990	PERCENT (%)	VALUE	2000	PERCENT (%)
Less than \$75,000	6	1.8	Less than \$50,000	-	-
\$75,000 – \$99,999	1	0.3	\$50,000 - \$99,999	-	-
\$100,000 - \$124,999	13	3.9	\$100,000 - \$149,999	12	3.2
\$125,000 - \$149,999	19	5.7	\$150,000 - \$199,999	18	4.8
\$150,000 - \$174,999	15	4.5	\$200,000 - \$299,999	77	20.4
\$175,000 - \$199,999	24	7.2	\$300,000 - \$499,999	111	29.4
\$200,000 - \$249,999	47	14.0	\$500,000 - \$999,999	118	31.2
\$250,000 - \$299,999	54	16.1	\$1,000,000 or more	42	11.1
\$300,000 - \$399,999	71	21.2			
\$400,000 - \$499,999	38	11.3			
\$500,000 or more	47	14.0			
<b>Total</b>	335		<b>Total</b>	378	<b>100.0</b>
<b>Median Value</b>	\$289,400		<b>Median Value</b>	\$445,300	

Note: (-) denotes zero or rounds to zero

Source: US Census Bureau; 1990 & 2000

**TABLE NO.7**  
**SPECIFIED RENTER-OCCUPIED HOUSING UNITS**  
**STONE HARBOR, NEW JERSEY**

RENT	1990	PERCENT (%)	RENT	2000	PERCENT (%)
Less than \$100	2	2.0	Less than \$200	-	-
\$100-\$149	1	1.0	\$200 - \$299	2	2.1
\$150 - \$199	5	4.9	\$300 - \$499	17	18.1
\$200 - \$299	3	2.9	\$500 - \$749	30	31.9
\$300 - \$399	7	6.9	\$750 - \$999	20	21.3
\$400 - \$499	29	28.4	\$1000 - \$1,499	8	8.5
\$500 - \$599	21	20.6	\$1,500 or more	-	-
\$600 - \$699	9	8.8			
\$700 - \$749	3	2.9			
\$750 - \$999	4	3.9			
\$1,000 or more	2	2.0			
No cash Rent	16	15.7	No cash Rent	17	18.1
Total	102	100.0	Total	94	100.0
<b>Median Value</b>	<b>\$597</b>		<b>Median Value</b>	<b>\$669</b>	

Note: (-) denotes zero or rounds to zero

Source: US Census Bureau; 1990 & 2000



### **Occupancy Characteristics and Types**

A variety of residential development exists in Stone Harbor. The majority of housing structures consist of single-family homes, which comprise approximately 60 percent of the total dwelling units. The second largest number of housing structures is comprised of multi-family residences. Table No. 8 outlines units in structure from the 2000 Census.

**TABLE No. 8  
UNITS IN STRUCTURE  
STONE HARBOR, NEW JERSEY**

UNITS IN STRUCTURE	NUMBER	PERCENT
One Unit Detached	1,916	55.9
One Unit Attached	171	5.0
2 Units	684	20.0
3 or 4 Units	134	3.9
5 to 9 Units	141	4.1
10 to 19 Units	168	4.9
20 or More Units	214	6.2
Mobile Units	-	-
Boat, RV, van, etc.	-	-
<b>Total</b>	<b>3,428</b>	<b>100.0</b>

Note: (-) denotes zero or rounds to zero

Source: US Census Bureau; 2000

The number of bedrooms per dwelling unit is reported in Table No. 9. The 2000 Census indicated 33.3 percent of dwelling units, or 167 units contained three bedrooms.

**TABLE NO. 9  
NUMBER OF BEDROOMS IN HOUSING UNITS  
OCCUPIED UNITS  
STONE HARBOR, NEW JERSEY**

BEDROOMS	NUMBER	PERCENT (%)
None	3	0.6
One	17	3.4
Two	102	20.3
Three	167	33.3
Four	144	28.7
Five or more	69	13.7
<b>Total</b>	<b>502</b>	<b>100</b>

Source: US Census Bureau; 2000

Table No. 10 provides data concerning kitchen and plumbing facilities. As indicated by the numbers from the 1990 Census data, there are few dwellings lacking kitchen facilities. According to 2000 Census data, there are no dwellings lacking kitchen and plumbing facilities in Stone Harbor.

**TABLE NO. 10**  
**KITCHEN AND PLUMBING FACILITIES**  
**STONE HARBOR, NEW JERSEY**

FACILITIES	1990		2000	
	Number	Percent (%)	Number	Percent (%)
Kitchen Facilities:				
Lacking Complete Facilities	6	0.2	-	-
With Complete Facilities	3,167	98	3,428	100
Plumbing Facilities				
Lacking Complete Facilities	-	-	-	-
With Complete Facilities	3,173	3,173	3,428	100
<b>Total Housing Units</b>	<b>3,173</b>		<b>3,428</b>	

Note: (-) denotes zero or rounds to zero

Source: US Census Bureau; 1990 & 2000

#### **Number of Units Affordable to Low and Moderate Income Households**

The 2000 US Census recorded a median family income of \$67,250, which is approximately 32% percent greater than the \$46,000 reported in 1990. Based upon the standard that moderate income households would represent no more than 80 percent of this number, 1990 moderate income levels would be no higher than \$36,800. Low income households are defined as earning 50 percent of the median income which equates to \$23,000 in 1990 in Stone Harbor. In 2000, moderate income levels would be no higher than \$53,800, while low income levels would be \$33,625.

With the exception of adjustments for family size and using a rule of thumb of two times income for sales housing and one-quarter yearly income for rental housing, housing costs and rental costs for 2000 were calculated for Stone Harbor. Based on Stone Harbor Census data, moderate income housing costs were determined to be \$107,600 for sale housing. This in effect suggests that approximately less than 12 percent of the units in the Borough could be described as in the price range of moderate income households. Moderate income renters could afford to spend \$1120 per month on housing. Low income housing costs were determined to be \$67,250, of which no housing units in Stone Harbor were available to low income families. Low income renters could afford to spend \$700 per month on housing.

## **POPULATION ANALYSIS**

The COAH regulations call for an analysis of the community's socio-economic characteristics, including an assessment of population size, rate of population growth, age and gender characteristics, income levels, and household size. Each of these items is described in this section of the report.

### **Population Size**

The total population in Stone Harbor was reported as 1,128 persons in the 2000 Census. The population increased by 9 percent from the 1,025 persons recorded in 1990.

### **Rate of Population Growth**

The population growth rate from 1970 to 2000 is summarized in Table No. 11. The Borough's population fluctuated from 1970 through 2000. Stone Harbor realized a drop in population between 1980 and 1990.

**TABLE NO. 11  
RATE OF POPULATION GROWTH  
STONE HARBOR, NEW JERSEY**

<b>YEAR</b>	<b>POPULATION</b>	<b>CHANGE (NO.)</b>	<b>CHANGE (%)</b>
1970	1,089	-	-
1980	1,187	98	8.3
1990	1,025	-162	-13.6
<b>2000</b>	<b>1,128</b>	<b>103</b>	9.1
<b>2005</b>	<b>1,062</b>	<b>-66</b>	-5.9
2006	1,039	-23	-2.2

Note: (-) denotes zero or rounds to zero

Source: US Census Bureau, 1990 & 2000  
1996 Stone Harbor Housing Element  
Cape May County Data

### Age, Gender and Race Characteristics

The following table provides age and gender characteristics in Stone Harbor.

**TABLE NO. 12**  
**AGE AND GENDER CHARACTERISTICS**  
**STONE HARBOR, NEW JERSEY**

<b>AGE GROUP</b>	<b>MALE</b>	<b>FEMALE</b>	<b>TOTAL</b>	<b>PERCENT (%)</b>
Under 5	14	13	27	2.4
5 – 9	19	14	33	2.9
10 – 14	20	26	46	4.1
15 – 19	25	19	44	3.9
20 – 24	12	11	23	2.0
25 – 29	16	12	28	2.5
30 – 34	18	15	33	2.9
35 – 44	39	62	101	9.0
45 – 54	86	98	184	16.3
55 – 59	40	50	90	8.0
60 – 64	48	34	82	7.3
65 – 74	92	116	208	18.4
75+	89	140	229	20.3
<b>Total</b>	<b>518</b>	<b>610</b>	<b>1,128</b>	<b>100</b>
<b>Median Age</b>	<b>56.0</b>	<b>58.5</b>	<b>57.5</b>	

Source: US Census Bureau: 2000

The Borough's racial composition is outlined in Table No. 13. White population represents 98.8 percent of the residents. Non-white population consists of 1.2 percent of the community.

**TABLE NO. 13**  
**RACIAL COMPOSITION**  
**STONE HARBOR, NEW JERSEY**

<b>RACE</b>	<b>NUMBER</b>	<b>PERCENT (%)</b>
White	1,114	98.8
Black or African American	9	0.7
Other	2	0.2
Two or more races	3	0.3
<b>Total</b>	<b>1128</b>	<b>100</b>

Source: US Census Bureau: 2000

### **Income Level**

Table No. 14 outlines household income by income category. The median household income for 2000 was \$51,471, which is a 30 percent increase compared to the 1990 median household income of \$36,141. Comparable data for Region 6 according to COAH guidelines indicate that the median household income for a two person household in 2000 was \$48,505.

**TABLE NO. 14  
HOUSEHOLD INCOME  
STONE HARBOR, NEW JERSEY  
1999 HOUSEHOLDS**

<b>INCOME CATEGORY</b>	<b>NUMBER</b>	<b>PERCENT</b>
<\$10,000	33	5.5
\$10,000 - \$14,999	34	5.6
\$15,000 - \$24,999	73	12.2
\$25,000 - \$34,999	67	11.2
\$35,000 - \$49,999	73	12.2
\$50,000 - \$74,999	125	20.8
\$75,000 - \$99,999	50	8.3
\$100,000 - \$149,999	67	11.2
\$150,000 - \$199,999	23	3.8
\$200,000+	55	9.2
Total	600	100
<b>Median Household Income</b>	<b>\$51,471</b>	

Source: US Census Bureau: 2000

### **Household Size**

The Borough's average household size is 1.89 persons per household according to the 2000 census. Although Stone Harbor experienced a small increase in population the average household size remained constant. Stone Harbor's average household size is summarized in Table No. 15.

**TABLE NO. 15  
AVERAGE HOUSEHOLD SIZE  
STONE HARBOR, NEW JERSEY**

<b>YEAR</b>	<b>TOTAL POPULATION</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSEHOLD SIZE</b>
1990	1,025	537	<b>1.90</b>
<b>2000</b>	<b>1,128</b>	<b>596</b>	<b>1.89</b>

## **EMPLOYMENT CHARACTERISTICS AND TRENDS**

The COAH regulations require an analysis of the existing employment characteristics of the community, including current and historic trends of employment in the municipality. These items are addressed below in detail.

### **Employment Trends**

Employment data from 1997 to 1999 is reported in Table No. 16. The data indicates that the number of private and government jobs in Stone Harbor has remained constant. Private weekly wages show a slight decrease while government weekly wages have increased from \$501 to \$600 for the three year period.

**TABLE NO. 16  
COVERED EMPLOYMENT  
STONE HARBOR, NEW JERSEY**

<b>YEAR</b>	<b>NUMBER OF JOBS</b>	<b>WEEKLY WAGE</b>
1997		
Private	146	<b>\$367.00</b>
Government	3	<b>\$501.00</b>
1998		
Private	150	<b>\$366.00</b>
Government	3	<b>\$531.00</b>
1999		
Private	152	<b>\$365.00</b>
<b>Government</b>	<b>3</b>	<b>\$600.00</b>

Source: State of New Jersey, Department of Labor, Office of Labor Planning & Analysis, Trends in Employment and Wages Covered by Unemployment Insurance (1997-1999)

**Employment Characteristics and Occupation Patterns of the Community's Residents**

Table No. 17 summarizes employment status of persons at the age of 16 and over by gender. Approximately 48.5 percent of the residents in Stone Harbor are participating in the civilian labor force, of which 95 percent are employed. An overall unemployment rate is relatively low at 5 percent.

**TABLE NO. 17  
EMPLOYMENT STATUS  
OF PERSONS 16 AND OVER BY GENDER  
STONE HARBOR, NEW JERSEY**

<b>EMPLOYMENT STATUS</b>	<b>MALE</b>	<b>FEMALE</b>	<b>TOTAL</b>
Armed Forces	-	-	-
Civilian Labor Force	277	209	486
Employed	270	192	462
Unemployed	7	17	24
(Unemployment Rate: %)	1.4	3.5	4.9
Not in Labor Force	*	*	516
Total	*	*	1,002
<b>(Participation Rate: %)</b>	<b>*</b>	<b>*</b>	<b>48.5</b>

Note: (-) denotes zero or rounds to zero

(\*) denotes information not provided

Source: US Census Bureau: 2000

Table No. 18 outlines resident employment by occupation for employed persons at the age of 16 and over. In 2000, the majority of resident employment is classified as management, professional and related occupations.

**TABLE NO. 18**  
**EMPLOYED PERSONS 16 AND OVER BY OCCUPATION**  
**STONE HARBOR, NEW JERSEY**

<b>INDUSTRY</b>	<b>NUMBER</b>	<b>PERCENT</b>
Management, professional and related occupations	203	44.0
Service occupations	61	13.2
Sales and office occupations	146	31.6
Farming, fishing, and forestry occupations	3	0.6
Construction, extraction and maintenance occupations	27	5.8
Production, transportation, and material moving occupations	22	4.8
<b>Total</b>	<b>462</b>	<b>100</b>

Source: US Census Bureau; 2000



## **BOROUGH OF STONE HARBOR**

### **FAIR SHARE PLAN**

The Borough of Stone Harbor's fair share obligation is the sum of the rehabilitation share (2000), the remaining prior round obligation (1987-1999) and the growth share (2004-2018).

<b>(a) Rehabilitation Share (2000) (0).....</b>	<b>0</b>
<b>(b) Recalculated Obligation (141) – Unmet Need .....</b>	<b>141</b>
<b>(c) Growth Share</b>	
<b>Residential Share (-1) + Non-Residential Share (-97).....</b>	<b>0</b>
<b>TOTAL FAIR SHARE OBLIGATION (Unmet Need).....</b>	<b>141</b>

### **ACTUAL NEED**

**(2004-2008: 134 Residential C.O's w/ 86 exempt – proposed rule).....12**

In accordance with N.J.A.C. 5:97-2.5, the fair share plan must be evaluated every two years to determine the viability of the fair share plan as it relates to the actual growth that occurred and the corresponding affordable housing obligation. The Borough experienced a residential growth of 134 units and non-residential growth of 0 jobs from 2004 – April of 2008. However, the Borough requests exemption of 86 units based on a proposed rule provision that permits the exemption of owner occupied housing units that were demolished and rebuilt. Enclosed as Exhibit A please find tax assessor data verifying the units that were owned for at least one year prior to the demolition. The affordable housing obligation for actual growth (48 units) that occurred between 2004 and 2008 is 12.

### **Vacant Land Adjustment**

The Borough of Stone requested and received a reduction in the Fair Share obligation due to a lack of vacant land in the prior cycles (1993 – 1999). The lack of vacant land in the Borough remains as the main factor in not being able to meet the affordable housing obligation for the prior round. Due to the lack of available land capacity, the Borough cannot provide sufficient land to accommodate the affordable housing obligation. A listing of vacant land is also provided as Exhibit C. The vacant land inventory excludes any land owned by the Borough as of January 1, 1997, land in private ownership which accommodates less than five dwelling units and parcel within the areas of the State regulated by the Division of Coastal Resources. In addition, historically and architecturally important sites, active recreational lands and conservation, parkland and

open space lands are not included in the vacant land inventory. As evidenced by the vacant land inventory, the Borough does not have sufficient land area to meet the Fair Share obligation (1993-2004) of 141 affordable housing units and the future Growth Share obligation (2004-2018).

Given the fact that circumstances have not changed, the Borough formally requests that COAH provide a vacant land adjustment from the recalculated prior round obligation and the future growth share obligation. However, COAH requires municipalities that are granted a vacant land adjustment to capture affordable housing opportunities beyond the realistic development potential (RDP). Examples of mechanisms designed to capture affordable housing opportunities beyond the RDP include zoning for accessory apartments, overlay zoning requiring inclusionary development and zoning amendments that impose a development fee.

The Borough is proposing the use of accessory apartment, an overlay zone and a development fee ordinance as mechanisms, as described below, to address the unmet need and the future growth share obligation.

### **Accessory Apartments**

**10**

The Borough of Stone Harbor proposes to utilize accessory apartments as a method to meet the unmet need obligation. An accessory apartment is defined as “a self-contained residential dwelling unit with a kitchen, sanitary facilities, sleeping quarters, and a private entrance, which is created within an existing home, or through the conversion of an existing accessory structure on the same site, or by an addition to an existing home or accessory building.” The Borough has a sufficient existing accessory apartment housing stock within the Business zoning district and the Residential Districts that provides opportunities for the conversion of market rate units to be converted to units affordable to low income households. The Borough estimates there are currently at least 10 existing accessory apartment units that may be eligible for conversion. A complete list of parcels containing applicable accessory apartments is provided in Exhibit D. All parcels are serviced by public sewer and water systems.

The Borough is committed to bond a minimum of \$20,000 per unit for moderate income households and \$25,000 per unit for low income households for a total subsidy of \$225,000 to help create affordable accessory apartments for moderate income households.

### **Inclusionary Overlay Zoning – “B” Residential District**

**188**

The “B” Residential District currently permits single family dwellings on 6,600 square foot lots and duplex dwellings on 12,500 square foot lots. The Borough proposes the implementation of an overlay zoning district on the “B” Residential District which permits duplex dwellings on 9,900 square foot lots. The Borough performed a land capacity analysis and estimates that the total developable land for new development and redevelopment within the “B” Residential Zoning District is approximately 80 acres. The

developable land excludes wetlands and floodplain areas in accordance with NJAC 5:97-6.4. The overlay zoning district could yield 376 units at a presumptive density of six units per acre. A minimum of 50% of the units or 188 units could be set aside for affordable housing. The “B” Zoning District is situated in the existing center, has adequate water and sewer capacity and provides the opportunity for affordable housing opportunities that are compatible with the surrounding neighborhood. Exhibit E provides a list of all parcels located in the “B” Zoning District including those that are currently vacant and those that are currently 12,500 square feet in size or over.

### **Development Fee Ordinance**

The Borough has adopted a development fee ordinance that permits the collection of 1% of the equalized value for residential development and 2 ½ % of the equalized value for non-residential development as evidenced in Exhibit F. The spending plan shall be approved by COAH prior to the distribution of funds.

#### **Borough of Stone Harbor Summary of Fair Share Plan Credits**

	<b>COAH Required</b>	<b>Borough Target</b>
<b>(a) Rehabilitation Share (2000).....</b>	<b>0</b>	<b>0</b>
<b>(b) Recalculated Obligation .....</b>	<b>141</b>	<b>on going</b>
<b>(c) Projected Growth Share.....</b>	<b>0</b>	<b>0</b>
<b>(d) Actual Growth Share (2004-2008).....</b>	<b>12</b>	
<b>    Accessory Apartments</b>		<b>10</b>
<b>    Overlay Zoning District “B” Residential</b>		<b>188</b>
<b>TOTAL FAIR SHARE OBLIGATION.....</b>	<b>153</b>	<b>198</b>